

Assembly Bill No. 1608

CHAPTER 669

An act to amend, repeal, and add Sections 7512.3, 7525.1, 7529, 7530, 7538, 7538.5, 7539, and 7570 of, and to add and repeal Section 7520.3 of, the Business and Professions Code, relating to private investigators.

[Approved by Governor September 27, 2014. Filed with
Secretary of State September 27, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1608, Olsen. Private investigators: limited liability companies.

Existing law, the Private Investigator Act, provides for the licensure and regulation of private investigators by the Bureau of Security and Investigative Services within the Department of Consumer Affairs and makes a violation of the licensing requirements a crime. Existing law defines a person, for purposes of the act, to include any individual, firm, company, association, organization, partnership, and corporation. Under existing law, a license is not assignable.

Existing law, the California Revised Uniform Limited Liability Company Act, governs the formation and operation of limited liability companies. The act authorizes a limited liability company to engage in any lawful business activity, except as specified, but prohibits construing the act to permit a limited liability company to render professional services, as defined. Existing law authorizes a limited liability company to render services that may be lawfully rendered only pursuant to a license, certificate, or registration authorized by the Business and Professions Code if the provisions of that code authorize a limited liability company to hold that license, certificate, or registration.

This bill, until January 1, 2018, would authorize the bureau to issue a private investigator license to a limited liability company and would make related conforming changes. The bill would require a limited liability company applicant for a private investigator license to provide specified information to the bureau, including the true name and complete residence address of each of the managing members and any other officers or members who will be active in the business. The bill would require a limited liability company, as a condition of licensure, to maintain liability insurance, as specified, for damages arising out of claims based on acts, errors, or omissions arising out of the private investigator services it provides. The bill would require a Certificate of Liability Insurance, as specified, to be submitted to the bureau, and would require the insurer issuing the certificate to report specified information to the bureau related to the policy. The bill would authorize suspension, as provided, of the license of a licensee that fails to maintain sufficient insurance, or fails to provide proof of the required

insurance upon request by the bureau, and would render each member of the limited liability company personally liable, up to \$1,000,000 each, for damages resulting to 3rd parties in connection with the company's performance during the period of suspension, as specified. By expanding the scope of an existing crime, the bill would create a state-mandated local program.

This bill would authorize a licensee to apply to the Chief of the Bureau of Security and Investigative Services to assign a license, as provided, to another business entity, upon receipt of consent by the chief and the payment of a processing fee not to exceed \$125.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 7512.3 of the Business and Professions Code is amended to read:

7512.3. (a) As used in this chapter, "person" includes any individual, firm, company, limited liability company, association, organization, partnership, and corporation.

(b) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 2. Section 7512.3 is added to the Business and Professions Code, to read:

7512.3. (a) As used in this chapter, "person" includes any individual, firm, company, association, organization, partnership, and corporation.

(b) This section shall become operative on January 1, 2018.

SEC. 3. Section 7520.3 is added to the Business and Professions Code, to read:

7520.3. (a) As a condition of the issuance, reinstatement, reactivation, or continued valid use of a license under this chapter, a limited liability company shall, in accordance with this section, maintain a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims based upon acts, errors, or omissions arising out of the private investigator services it provides.

(b) The total aggregate limit of liability under the policy or policies of insurance required under this section shall be as follows:

(1) For a limited liability company licensee with five or fewer persons named as managing members pursuant to subdivision (i) of Section 7525.1, the aggregate limit shall not be less than one million dollars (\$1,000,000).

(2) For a limited liability company licensee with more than five persons named as managing members pursuant to subdivision (i) of Section 7525.1,

an additional one hundred thousand dollars (\$100,000) of insurance shall be obtained for each person named as managing members of the licensee except that the maximum amount of insurance is not required to exceed five million dollars (\$5,000,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth under this section.

(c) Prior to the issuance, reinstatement, or reactivation of a limited liability company license as provided under this chapter, the applicant or licensee shall, in the manner prescribed by the bureau, submit the information and documentation required by this section and requested by the bureau, demonstrating compliance with the financial security requirements specified by this section.

(d) For any insurance policy secured by a licensee in satisfaction of this section, a Certificate of Liability Insurance, signed by an authorized agent or employee of the insurer, shall be submitted electronically or otherwise to the bureau. The insurer issuing the certificate shall report to the bureau the following information for any policy required under this section: name, license number, policy number, dates that coverage is scheduled to commence and lapse, the date and amount of any payment of claims, and cancellation date if applicable.

(e) (1) If a licensee fails to maintain sufficient insurance as required by this section, or fails to provide proof of the required insurance upon request by the bureau, the license is subject to suspension and shall be automatically suspended pursuant to this subdivision until the date that the licensee provides proof to the bureau of compliance with the insurance coverage requirement.

(2) Prior to an automatic suspension, the bureau shall notify the licensee, in writing, that it has 30 days to provide proof to the bureau of having the required insurance or the license shall be automatically suspended.

(3) If the licensee fails to provide proof of insurance coverage within this period, the bureau may automatically suspend the license.

(f) If the license of a limited liability company is suspended pursuant to subdivision (e), each member of the limited liability company shall be personally liable up to one million dollars (\$1,000,000) each for damages resulting to third parties in connection with the company's performance, during the period of suspension, of any act or contract when a license is required by this chapter.

(g) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 4. Section 7525.1 of the Business and Professions Code is amended to read:

7525.1. An application shall be verified and shall include:

- (a) The full name and business address of the applicant.
- (b) The name under which the applicant intends to do business.
- (c) A statement as to the general nature of the business in which the applicant intends to engage.

(d) A verified statement of his or her experience qualifications.

(e) (1) If the applicant is an individual, a qualified manager, a partner of a partnership, an officer of a corporation designated in subdivision (h), or a managing member of a limited liability company designated in subdivision (i), one personal identification form provided by the bureau upon which shall appear a photograph taken within one year immediately preceding the date of the filing of the application together with two legible sets of fingerprints, one set of which shall be forwarded to the Federal Bureau of Investigation for purposes of a background check, on a form approved by the Department of Justice, and a personal description of each person, respectively. The identification form shall include residence addresses and employment history for the previous five years and be signed under penalty of perjury.

(2) The bureau may impose a fee not to exceed three dollars (\$3) for processing classifiable fingerprint cards submitted by applicants, excluding those submitted into an electronic fingerprint system using electronic fingerprint technology.

(f) In addition, if the applicant for a license is an individual, the application shall list all other names known as or used during the past 10 years and shall state that the applicant is to be personally and actively in charge of the business for which the license is sought. If any other qualified manager is to be actively in charge of the business, the application shall be subscribed, verified, and signed by the applicant, under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed by that person under penalty of perjury.

(g) If the applicants for a license are copartners, the application shall state the true names and addresses of all partners and the name of the partner to be actively in charge of the business for which the license is sought and list all other names known as or used during the past 10 years. If a qualified manager other than a partner is to be actively in charge of the business, then the application shall be subscribed, verified, and signed by all of the partners under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed by that person, under penalty of perjury, under penalty of perjury by all of the partners and the qualified manager, or by all of the partners or the qualified manager.

(h) If the applicant for a license is a corporation, the application shall state the true names and complete residence addresses of the chief executive officer, secretary, chief financial officer, and any other corporate officer who will be active in the business to be licensed. The application shall also state the name and address of the designated person to be actively in charge of the business for which the license is sought. The application shall be subscribed, verified, and signed by a duly authorized officer of the applicant and by the qualified manager thereof, under penalty of perjury.

(i) If the applicant for a license is a limited liability company, the application shall state the true name and complete residence address of each

managing member and any other officer or member who will be active in the business to be licensed. A copy of the most recent articles of organization, as filed by the Secretary of State, shall be supplied to the bureau upon request. The application shall also state the name and residence address of the designated person to be actively in charge of the business for which the license is sought. The application shall be subscribed, verified, and signed by a duly authorized member of the applicant under penalty of perjury.

(j) Any other information, evidence, statements, or documents as may be required by the director.

(k) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 5. Section 7525.1 is added to the Business and Professions Code, to read:

7525.1. An application shall be verified and shall include:

(a) The full name and business address of the applicant.

(b) The name under which the applicant intends to do business.

(c) A statement as to the general nature of the business in which the applicant intends to engage.

(d) A verified statement of his or her experience qualifications.

(e) (1) If the applicant is an individual, a qualified manager, a partner of a partnership, or an officer of a corporation designated in subdivision (h), one personal identification form provided by the bureau upon which shall appear a photograph taken within one year immediately preceding the date of the filing of the application together with two legible sets of fingerprints, one set of which shall be forwarded to the Federal Bureau of Investigation for purposes of a background check, on a form approved by the Department of Justice, and a personal description of each person, respectively. The identification form shall include residence addresses and employment history for the previous five years and be signed under penalty of perjury.

(2) The bureau may impose a fee not to exceed three dollars (\$3) for processing classifiable fingerprint cards submitted by applicants, excluding those submitted into an electronic fingerprint system using electronic fingerprint technology.

(f) In addition, if the applicant for a license is an individual, the application shall list all other names known as or used during the past 10 years and shall state that the applicant is to be personally and actively in charge of the business for which the license is sought. If any other qualified manager is to be actively in charge of the business, the application shall be subscribed, verified, and signed by the applicant, under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed by that person under penalty of perjury.

(g) If the applicants for a license are copartners, the application shall state the true names and addresses of all partners and the name of the partner to be actively in charge of the business for which the license is sought and

list all other names known as or used during the past 10 years. If a qualified manager other than a partner is to be actively in charge of the business, then the application shall be subscribed, verified, and signed by all of the partners under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed under penalty of perjury by that person, by all of the partners and the qualified manager, or by all of the partners or the qualified manager.

(h) If the applicant for a license is a corporation, the application shall state the true names and complete residence addresses of the chief executive officer, secretary, chief financial officer, and any other corporate officer who will be active in the business to be licensed. The application shall also state the name and address of the designated person to be actively in charge of the business for which the license is sought. The application shall be subscribed, verified, and signed by a duly authorized officer of the applicant and by the qualified manager thereof, under penalty of perjury.

(i) Any other information, evidence, statements, or documents as may be required by the director.

(j) This section shall become operative on January 1, 2018.

SEC. 6. Section 7529 of the Business and Professions Code is amended to read:

7529. (a) Upon the issuance of a license, a pocket card of the size, design, and content as may be determined by the director shall be issued by the bureau to each licensee, if an individual, or if the licensee is a person other than an individual, to its managing member or manager and to each of its officers and partners. The pocket card is evidence that the licensee is licensed pursuant to this chapter. The card shall contain the signature of the licensee, signature of the chief, and a photograph of the licensee, or bearer of the card, if the licensee is other than an individual. The card shall clearly state that the person is licensed as a private investigator or is the manager or officer of the licensee. The pocket card is to be composed of a durable material and may incorporate technologically advanced security features. The bureau may charge a fee sufficient to reimburse the department's costs for furnishing the pocket card. The fee charged shall not exceed the actual direct costs for system development, maintenance, and processing necessary to provide this service, and shall not exceed sixteen dollars (\$16). When a person to whom a card is issued terminates his or her position, office, or association with the licensee, the card shall be surrendered to the licensee and within five days thereafter shall be mailed or delivered by the licensee to the bureau for cancellation. Every person, while engaged in any activity for which licensure is required, shall display his or her valid pocket card as provided by regulation.

(b) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 7. Section 7529 is added to the Business and Professions Code, to read:

7529. (a) Upon the issuance of a license, a pocket card of the size, design, and content as may be determined by the director shall be issued by the bureau to each licensee, if an individual, or if the licensee is a person other than an individual, to its manager and to each of its officers and partners. The pocket card is evidence that the licensee is licensed pursuant to this chapter. The card shall contain the signature of the licensee, signature of the chief, and a photograph of the licensee, or bearer of the card, if the licensee is other than an individual. The card shall clearly state that the person is licensed as a private investigator or is the manager or officer of the licensee. The pocket card is to be composed of a durable material and may incorporate technologically advanced security features. The bureau may charge a fee sufficient to reimburse the department's costs for furnishing the pocket card. The fee charged shall not exceed the actual direct costs for system development, maintenance, and processing necessary to provide this service, and shall not exceed sixteen dollars (\$16). When a person to whom a card is issued terminates his or her position, office, or association with the licensee, the card shall be surrendered to the licensee and within five days thereafter shall be mailed or delivered by the licensee to the bureau for cancellation. Every person, while engaged in any activity for which licensure is required, shall display his or her valid pocket card as provided by regulation.

(b) This section shall become operative on January 1, 2018.

SEC. 8. Section 7530 of the Business and Professions Code is amended to read:

7530. (a) Except as provided in this section, a license issued under this chapter is not assignable.

(b) A licensee may apply to the chief for consent, and upon receipt of the consent and payment of the processing fee authorized by Section 7570, may assign a license to another business entity as long as the direct and indirect owners of the assignor own all of the assignee immediately after the assignment.

(c) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 9. Section 7530 is added to the Business and Professions Code, to read:

7530. (a) A license issued under this chapter is not assignable.

(b) This section shall become operative on January 1, 2018.

SEC. 10. Section 7538 of the Business and Professions Code is amended to read:

7538. (a) After a hearing the director may deny a license unless the applicant makes a showing satisfactory to the director that the applicant, if an individual, has not, or, if the applicant is a person other than an individual, that its manager and each of its officers have not:

(1) Committed any act that, if committed by a licensee, would be a ground for the suspension or revocation of a license under this chapter.

(2) Committed any act constituting dishonesty or fraud.

(3) Committed any act or crime constituting grounds for denial of licensure under Section 480, including illegally using, carrying, or possessing a deadly weapon.

(4) Been refused a license under this chapter or had a license revoked.

(5) Been an officer, partner, managing member, or manager of any person who has been refused a license under this chapter or whose license has been revoked.

(6) While unlicensed committed, or aided and abetted the commission of, any act for which a license is required by this chapter.

(7) Knowingly made any false statement in his or her application.

(b) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 11. Section 7538 is added to the Business and Professions Code, to read:

7538. (a) After a hearing the director may deny a license unless the applicant makes a showing satisfactory to the director that the applicant, if an individual, has not, or, if the applicant is a person other than an individual, that its manager and each of its officers have not:

(1) Committed any act that, if committed by a licensee, would be a ground for the suspension or revocation of a license under this chapter.

(2) Committed any act constituting dishonesty or fraud.

(3) Committed any act or crime constituting grounds for denial of licensure under Section 480, including illegally using, carrying, or possessing a deadly weapon.

(4) Been refused a license under this chapter or had a license revoked.

(5) Been an officer, partner, or manager of any person who has been refused a license under this chapter or whose license has been revoked.

(6) While unlicensed committed, or aided and abetted the commission of, any act for which a license is required by this chapter.

(7) Knowingly made any false statement in his or her application.

(b) This section shall become operative on January 1, 2018.

SEC. 12. Section 7538.5 of the Business and Professions Code is amended to read:

7538.5. (a) The director may refuse to issue any license provided for in this chapter to any of the following:

(1) A person who has had any license revoked, has a license currently under suspension, or failed to renew his or her license while under suspension.

(2) A person who, while acting as a member of a partnership, an officer or director of a corporation, an officer or person acting in a managerial capacity of a firm or association, or a managing member of a limited liability company, had his or her license revoked, has a license currently under suspension, or failed to renew his or her license while under suspension.

(3) A person who, while acting as a member of the partnership, an officer or director of the corporation, or an officer or person acting in a managerial capacity of the firm or association, meets both of the following conditions:

(A) He or she was a member of any partnership, an officer or director of any corporation, an officer or person acting in a managerial capacity of any firm or association, or a managing member of any limited liability company whose license was revoked, is currently under suspension, or was not renewed while under suspension.

(B) While acting as a member, officer, director, or person acting in a managerial capacity in any corporation, firm, association, or limited liability company, he or she participated in any of the prohibited acts for which the license was revoked or suspended.

(b) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 13. Section 7538.5 is added to the Business and Professions Code, to read:

7538.5. (a) The director may refuse to issue any license provided for in this chapter to any of the following:

(1) A person who has had any license revoked, has a license currently under suspension, or failed to renew his or her license while under suspension.

(2) A person who, while acting as a member of a partnership, an officer or director of a corporation, or an officer or person acting in a managerial capacity of a firm or association, had his or her license revoked, has a license currently under suspension, or failed to renew his or her license while under suspension.

(3) A person who, while acting as a member of the partnership, an officer or director of the corporation, or an officer or person acting in a managerial capacity of the firm or association, meets both of the following conditions:

(A) He or she was a member of any partnership, an officer or director of any corporation, or an officer or person acting in a managerial capacity of any firm or association, whose license was revoked, is currently under suspension, or was not renewed while under suspension.

(B) He or she, while acting as a member, officer, director, or person acting in a managerial capacity in any corporation, firm, or association, participated in any of the prohibited acts for which the license was revoked or suspended.

(b) This section shall become operative on January 1, 2018.

SEC. 14. Section 7539 of the Business and Professions Code is amended to read:

7539. (a) Any licensee or officer, director, partner, managing member, or manager of a licensee may divulge to any law enforcement officer or district attorney, or his or her representative, any information he or she may acquire as to any criminal offense, but he or she shall not divulge to any other person, except as otherwise required by law, any information acquired by him or her except at the direction of the employer or client for whom the information was obtained.

(b) A licensee or officer, director, partner, manager, managing member, or employee of a licensee shall not knowingly make any false report to his or her employer or client for whom information was being obtained.

(c) A written report shall not be submitted to a client except by the licensee, qualifying manager, managing member, or a person authorized by one or either of them, and the person submitting the report shall exercise diligence in ascertaining whether or not the facts and information in the report are true and correct.

(d) A licensee, or officer, director, partner, manager, managing member, or employee of a licensee shall not use a badge in connection with the official activities of the licensee's business.

(e) A licensee, or officer, director, partner, manager, managing member, or employee of a licensee, shall not use a title, or wear a uniform, or use an insignia, or use an identification card, or make any statement with the intent to give an impression that he or she is connected in any way with the federal government, a state government, or any political subdivision of a state government.

(f) A licensee, or officer, partner, qualified manager, managing member, or employee of a licensee shall not use any identification to indicate that he or she is licensed as a private investigator other than the official identification card issued by the bureau or the business card regularly used by the business. However, a licensee may issue an employer identification card.

(g) A licensee, or officer, director, partner, manager, managing member, or employee of a licensee, shall not enter any private building or portion thereof, except premises commonly accessible to the public, without the consent of the owner or of the person in legal possession thereof.

(h) A licensee shall not permit an employee or agent in his or her own name to advertise, engage clients, furnish reports or present bills to clients, or in any manner conduct business for which a license is required under this chapter. All business of the licensee shall be conducted in the name of and under the control of the licensee.

(i) A licensee, officer, director, partner, manager, managing member, or employee of a licensee shall not knowingly and directly solicit employment from any person who has directly sustained bodily injury or from that person's spouse or other family member to obtain authorization on behalf of the injured person as an investigator to investigate the accident or act that resulted in injury or death to that person or damage to the property of that person. Nothing in this subdivision shall prohibit the soliciting of employment from that injured person's attorney, insurance company, self-insured administrator, insurance adjuster, employer, or any other person having an indirect interest in the investigation of the injury. This subdivision shall not apply to any business agent or attorney employed by a labor organization. A licensee, officer, director, partner, managing member, or manager of a licensee shall not pay or compensate any of his or her employees or agents on the basis of a bonus, bounty, or quota system whereby a premium is placed on the number of employer or client rule

violations or infractions purportedly discovered as a result of any investigation made by a licensee.

(j) A licensee shall not use a fictitious business name in connection with the official activities of the licensee's business, except as provided by the bureau.

(k) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 15. Section 7539 is added to the Business and Professions Code, to read:

7539. (a) Any licensee or officer, director, partner, or manager of a licensee may divulge to any law enforcement officer or district attorney, or his or her representative, any information he or she may acquire as to any criminal offense, but he or she shall not divulge to any other person, except as otherwise required by law, any information acquired by him or her except at the direction of the employer or client for whom the information was obtained.

(b) A licensee or officer, director, partner, manager, or employee of a licensee shall not knowingly make any false report to his or her employer or client for whom information was being obtained.

(c) A written report shall not be submitted to a client except by the licensee, qualifying manager, or a person authorized by one or either of them, and the person submitting the report shall exercise diligence in ascertaining whether or not the facts and information in the report are true and correct.

(d) A licensee, or officer, director, partner, manager, or employee of a licensee shall not use a badge in connection with the official activities of the licensee's business.

(e) A licensee, or officer, director, partner, manager, or employee of a licensee, shall not use a title, or wear a uniform, or use an insignia, or use an identification card, or make any statement with the intent to give an impression that he or she is connected in any way with the federal government, a state government, or any political subdivision of a state government.

(f) A licensee, or officer, partner, qualified manager, or employee of a licensee shall not use any identification to indicate that he or she is licensed as a private investigator other than the official identification card issued by the bureau or the business card regularly used by the business. However, a licensee may issue an employer identification card.

(g) A licensee, or officer, director, partner, manager, or employee of a licensee, shall not enter any private building or portion thereof, except premises commonly accessible to the public, without the consent of the owner or of the person in legal possession thereof.

(h) A licensee shall not permit an employee or agent in his or her own name to advertise, engage clients, furnish reports or present bills to clients, or in any manner conduct business for which a license is required under this

chapter. All business of the licensee shall be conducted in the name of and under the control of the licensee.

(i) A licensee, officer, director, partner, manager, or employee of a licensee shall not knowingly and directly solicit employment from any person who has directly sustained bodily injury or from that person's spouse or other family member to obtain authorization on behalf of the injured person as an investigator to investigate the accident or act that resulted in injury or death to that person or damage to the property of that person. Nothing in this subdivision shall prohibit the soliciting of employment from that injured person's attorney, insurance company, self-insured administrator, insurance adjuster, employer, or any other person having an indirect interest in the investigation of the injury. This subdivision shall not apply to any business agent or attorney employed by a labor organization. A licensee, officer, director, partner, or manager of a licensee shall not pay or compensate any of his or her employees or agents on the basis of a bonus, bounty, or quota system whereby a premium is placed on the number of employer or client rule violations or infractions purportedly discovered as a result of any investigation made by a licensee.

(j) A licensee shall not use a fictitious business name in connection with the official activities of the licensee's business, except as provided by the bureau.

(k) This section shall become operative on January 1, 2018.

SEC. 16. Section 7570 of the Business and Professions Code is amended to read:

7570. The fees prescribed by this chapter are as follows:

(a) The application and examination fee for an original license shall not exceed fifty dollars (\$50).

(b) The application fee for an original branch office certificate shall not exceed thirty dollars (\$30).

(c) The fee for an original license for a private investigator shall not exceed one hundred seventy-five dollars (\$175).

(d) The renewal fee is as follows:

(1) For a license as a private investigator, the fee shall not exceed one hundred twenty-five dollars (\$125).

(2) For a combination license as a private investigator and private patrol operator under Chapter 11.5 (commencing with Section 7580), AC or DC prefix, the fee shall not exceed six hundred dollars (\$600).

(3) For a branch office certificate for a private investigator, the fee shall not exceed thirty dollars (\$30), and for a combination private investigator and private patrol operator under Chapter 11.5 (commencing with Section 7580), the fee shall not exceed forty dollars (\$40).

(e) The delinquency fee is 50 percent of the renewal fee in effect on the date of expiration.

(f) A reinstatement fee is equal to the amount of the renewal fee plus the regular delinquency fee.

(g) The fee for reexamination of an applicant or his or her manager shall not exceed fifteen dollars (\$15).

(h) The processing fee for the assignment of a license pursuant to Section 7530 shall not exceed one hundred twenty-five dollars (\$125).

(i) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 17. Section 7570 is added to the Business and Professions Code, to read:

7570. The fees prescribed by this chapter are as follows:

(a) The application and examination fee for an original license shall not exceed fifty dollars (\$50).

(b) The application fee for an original branch office certificate shall not exceed thirty dollars (\$30).

(c) The fee for an original license for a private investigator shall not exceed one hundred seventy-five dollars (\$175).

(d) The renewal fee is as follows:

(1) For a license as a private investigator, the fee shall not exceed one hundred twenty-five dollars (\$125).

(2) For a combination license as a private investigator and private patrol operator under Chapter 11.5 (commencing with Section 7580), AC or DC prefix, the fee shall not exceed six hundred dollars (\$600).

(3) For a branch office certificate for a private investigator, the fee shall not exceed thirty dollars (\$30), and for a combination private investigator and private patrol operator under Chapter 11.5 (commencing with Section 7580), the fee shall not exceed forty dollars (\$40).

(e) The delinquency fee is 50 percent of the renewal fee in effect on the date of expiration.

(f) A reinstatement fee is equal to the amount of the renewal fee plus the regular delinquency fee.

(g) The fee for reexamination of an applicant or his or her manager shall not exceed fifteen dollars (\$15).

(h) This section shall become operative on January 1, 2018.

SEC. 18. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.